

JAMES CITY COUNTY
REQUEST FOR PROPOSALS 12-4878 FLEXIBLE BENEFITS PLAN ADMINISTRATOR

ADDENDUM NUMBER 1

DATE: December 22, 2011

This Addendum is forwarded to provide Answers to **Questions** received regarding this project on or before the cutoff date of December 19, 2011 @ 5:00pm. Contact: Deborah Merritt-Ham, Senior Buyer, at (757)253-6647.

Question: Who is the current TPA for FSA?

Response: Each entity currently has their own FSA provider. The County and the school system would like to consolidate with one provider, but the vendor must be able to bill and administer each plan separately. The County's current vendor is EBS Atlanta; the school division's current vendor is Flexible Benefits Administrators.

Question: What are the current fees being paid for FSA?

Response: The County has a monthly administration fee of \$805 plus a fee of \$1.50 per participant for the debit card. The school division pays a monthly administration fee of \$1,330 and the debit card fee is included.

Question: Does James City County (JCC) currently offer a Debit Card for the FSA plan?

Response: Both the County and school division offer debit cards for their plans.

Question: How many years has JCC had their current vendor as their TPA?

Response: The County has had the current provider since July 1, 2007. The school division has had their current vendor for 17 years.

Question: Will education materials be mailed to employee home addresses or handed out at enrollment meetings?

Response: For the County, materials are provided to employees via the internal website as well as at open enrollment meetings during the month of May. For the school division, materials are also provided via the internal website and the current vendor provides online enrollment during open enrollment in June.

Question: What are the payroll cycles for JCC? How many payroll files will JCC send each month? Will separate payroll files be received from the school system?

Response: The County has 24 pay cycles, deductions are taken from the 14th and 28th paycheck. The County sends one file each payroll (2 per month). The school division has a separate payroll and would be submitting separate files. School division employees are paid once per month on the last business day of the month.

Question: What issues, if any, does JCC have with their current TPA and the services they are currently receiving?

Response: None.

Question: Does JCC use an on-line enrollment system or service? If so, who is this vendor?

Response: The County does not offer on-line enrollment currently; however, there are plans to implement online enrollment within the next year. The school division utilizes online enrollment for flexible benefits only, and the current TPA provides the online access.

Question: Would we receive files from this vendor directly?

Response: The County is currently working towards the ability to transfer data files directly to vendors through the HRIS.

Question: When will open enrollment be held? How many locations and how many meetings will be held? Will meetings be mandatory for the employees to attend?

Response: For the County, open enrollment is held after the budget is passed. Typically it is held during the month of May with information being provided to employees around the end of April. There is a benefits fair in the middle of May where all vendors have a table that employees can stop by and ask questions. For the school division, open enrollment is held in June. New Teacher Orientation takes place in August and vendors have tables available to distribute materials and speak with employees. Neither entity requires employees to attend open enrollment meetings.

Question: Would an additional discount for rates be accepted if we could also enroll voluntary benefits?

Response: The RFP states: the Provider may not solicit County employees on behalf of any other product or service offered by the Provider or its affiliates.

Question: After reviewing the questions, I need to clarify the question on COBRA administration. Are you asking for full COBRA services, all medical, dental, vision, FSA plans, or only COBRA services for the FSA. SHDR can administer COBRA in total if needed.

Response: We are seeking pricing for full COBRA administration.

Question: How is the COBRA for the FSA plan currently being handled? This is typically something that is handled by the COBRA TPA, so I wanted to get some clarification on why the County had this requirement.

Response: The County administers COBRA internally currently. The school division's flexible spending account vendor also administers COBRA. Both entities are seeking pricing for the full administration of COBRA services.

Question: Do you require the vendor to provide the full scope of COBRA services as they pertain to FSAs (Qualifying Event notice, premium collection, etc...) or just the QE notice?

Response: We are asking for pricing on the full scope of COBRA administration services for each organization.

Question: Who is the current administrator?

Response: The County currently administers COBRA internally. The school division utilizes the current FSA vendor to provide COBRA administration services.

Question: What are the current fees being charged?

Response: The school division pays approximately \$225 per month for COBRA administration.

Question: Why is the RFP going out to bid?

Response: Professional services are typically bid every 5 years at the end of the contracted period.

Question: Have there been any service issues with the current TPAs performance?

Response: No.

Question: Does the County offer the use of an FSA debit card? If so, is there a fee for the debit card?

Response: The County and school division both offer a debit card. There is a fee.

Question: The RFP states that the bidder must attend annual benefit fairs and teacher orientations. Do you have an anticipated schedule for these meetings or the number of meetings that we would be required to attend?

Response: The County holds a benefits fair in mid-May. It is a one day event. The New Teacher Orientation takes place in the last week in August and is a two day event.

- Question:** Can you detail how the current plan is funded? Does the County send the actual payroll deductions to the current TPA or does the County reimburse the TPA for the payments issued to participants?
- Response:** The County and school division both send payroll deductions to the TPA and the TPA issues reimbursement to participants.
- Question:** Does the current TPA debit the County's account or does the County initiate the transfer of funds to the TPA?
- Response:** The County transfers funds to the TPA. The school division deposits a check to an account set-up by the TPA.
- Question:** The RFP states that James City County desires the administrator to perform COBRA responsibilities. Does this mean for the FSA Administration, or would this be a request for proposal to provide full COBRA Administration for all of James City County's medical plans?
- Response:** The request of for full COBRA administration services of County and school division medical and dental plans. The vendor must be able to bill each entity separately for flex and COBRA administration services.

This Addendum is a part of the Request for Proposals (RFP) and Contract Documents.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME
(This Addendum consists of four (4) pages)